

# Issues of Merit

A Publication of the Office of Policy and Evaluation, U.S. Merit Systems Protection Board

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## Director's Perspective

### Redefining Competition

Of all the problems associated with the federal government's merit promotion system—and there are plenty of them—the thorniest one may be holding a formal competition for a job when, for all practical purposes, the outcome has already been decided. During the Board's recent merit promotion study, we confirmed that such situations are fairly common—and extremely unpopular.

As the merit staffing system stands today, a supervisor can promote an employee only after formal competition. There are a few exceptions, such as promoting an employee within a career ladder. But formal competition through competitive vacancy announcements is the norm. The irony is that such announcements sometimes do little, if anything, to promote fairness, openness, or selection of the best qualified. Why? Because in more than a few cases supervisors have already identified the best qualified person in the organization based on direct observation of their subordinates and their knowledge of the job to be filled. In such cases, other applicants have little chance of being selected even though the position is nominally "open to competition." Employees understand this: 76 percent of the employees responding to an MSPB survey said they had not been selected for at least one promotion because the selecting official had someone else in mind. And employees clearly resent their employers' wasting their time and raising their hopes for no good reason with "sham" competitions.

Therefore, in our recent report on the merit promotion process, we recommended giving supervisors more authority to promote subordinates

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### OPE Focus on the Facts

#### *Belief:*

Because they fear loss of productivity, federal supervisors grant very few time-off awards, and when they do, the time off amounts to no more than an hour or two.

#### **Fact:**

Over the five fiscal years spanning 1995-1999, nearly 1.3 million time-off awards were granted to federal civilian employees. The average size of such awards during that period was 13.5 hours.

Source: U.S. Office of Personnel Management, "The Fact Book," 2001 Edition, Federal Civilian Workforce Statistics, p. 73.

### Recruiting Needs to Pitch the Positives

For some time there has been talk of a human capital crisis in the federal government. Years of downsizing in the face of rapid technological growth and changing work environments have resulted in serious skills gaps in the workforce. These skills gaps, coupled with complex hiring regulations and restrictive pay and benefits programs, have left many federal agencies feeling outgunned in the war for talent. Some policymakers have called for reform of hiring regulations and compensation practices to mitigate the crisis. While talk of such reform is promising, it has yet to materialize. In the meantime, what can federal agencies do to aid in recruiting talented individuals to their workforces?

As any coach will tell you, in any game you have to play to your strengths. Although recruiting for talented individuals isn't a game, it certainly is a competition—federal agencies are constantly competing against private and other public sector organizations for the services of top flight employees. Federal

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## **Director's Perspective** *(continued from page 1)*

without the use of traditional competitive procedures. In effect, we propose redefining "competition" for many internal promotion actions. For the employee, competition would change from a one-time opportunity based primarily on the contents of a merit promotion application, to an ongoing process based on job performance. For the supervisor, competition would change from one-time evaluation of applicants (through reviewing resumes, interviewing candidates, etc.) to a continuing evaluation of employees to decide if they would be good fits for the vacancies that occur.

This approach would support merit principles and effective government for several reasons:

First, it supports openness. A supervisor "having someone in mind"—which often is condemned as "pre-selection"—is not inappropriate if that decision is based on observation of on-the-job performance, and fair consideration is given to other employees in the organization. And reducing the number of sham competitions would mean that vacancy announcements represent real job openings.

Second, this approach can advance selection based on merit. Research has revealed that one of the best sources of information about how well a candidate is likely to perform is direct observation of how well that person has been performing in a similar job. In fact, direct observation of a candidate's performance is a much better predictor of how well an applicant will do in a job than are some other commonly used predictors, such as unstructured interviews or training and experience ratings based on reviews of resumes or merit promotion applications. This means that supervisors are much more likely to make good decisions about whom to promote if they've already seen how well a candidate can do a job requiring similar skills, knowledge, or abilities. (And that, indeed, is very often the process that occurs when a supervisor "has someone in mind.")

Third, greater supervisory authority to promote internal candidates would not hurt employees' chances to get ahead. Our research has shown that reducing the requirements for formal competition should have little, if any effect on the promotion prospects of internal candidates.

Fourth, this approach is a logical extension of selecting officials' responsibility for succession plan-

ning. That responsibility includes anticipating vacancies to the extent possible, identifying what talent is available in their organization, and developing that talent appropriately in order to ensure the organization's continuing capacity to meet its objectives. Giving selecting officials greater authority to promote proven employees without competition would help them actually implement a succession plan.

Finally, this approach would decrease administrative workload for managers, HR staff, and the employee. When a selection is to be based primarily on direct observation of on-the-job performance, there is no advantage to asking employees to submit applications and narratives about their skills, knowledge, and abilities. Nor would there be a need for HR staff and managers to evaluate applications.

Giving supervisors greater authority to promote subordinates as we're suggesting would produce a system in which decisions remain merit-based, but that is more honest, more efficient, and more respectful of employees than the current system.

*John Crum*  
Acting Director, Policy and  
Evaluation

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## **Recruiting** *(continued from page 1)*

employers need to play to their strengths just like any other team, first by asking themselves what their organizations have to offer that will make a difference to job seekers, and then by marketing those attractions strategically.

The Merit Systems Protection Board has helped with the first part of that effort by examining survey responses from almost 7,000 federal employees concerning work/life issues. In our Merit

Principles Survey 2000, we asked a representative sample of employees whether they planned to retire or look for another job in the coming year, and for those who did not plan to leave, how important various factors were in their decision to remain on the job. Of those who said they were staying, 91 percent listed federal benefits programs as an important or very important reason to stay. Also listed by over four-fifths of these respondents were job

security (86 percent) and current job duties and responsibilities (82 percent). Given the strong draw that these factors have for employees satisfied enough to want to stick with their federal jobs, it would seem that agencies that want to hire outside candidates should be emphasizing these factors in their recruitment strategies. However, our recent review of a random sample of 100 vacancy announce-

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ments listed in USAJobs (a website on which all federal job openings must be posted) found that none of the announcements we reviewed emphasized any of these three critical factors.

While there are probably many approaches to dealing with the complicated issues that constitute the government's human capital problems, one of the most basic is to make our best effort to sell our jobs. Although going through the federal application process can be a test of one's endurance, and better salaries often can be found in other sectors, the government does have things to offer that can give us a competitive edge. We know from our survey results—from individuals already in public service—what some of those assets are. It's time to make better use of that information.

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## What's Behind the Popularity of ADR?

Conflicts in the workplace happen all the time. Sometimes they're handled informally by the parties involved; sometimes they're ignored; sometimes they just go away. But occasionally a conflict is too serious to be ignored or, for whatever reason, one or more parties to a dispute simply can't agree on a solution, reach a compromise, or even agree to disagree.

Among feds, such cases often find their way into the government's formal administrative dispute resolution system, a process that can mean proceedings before MSPB, EEOC, or other quasi-judicial bodies, and can also end up in court. But in a growing number of cases, particularly those involving discrimination complaints, workplace conflicts are resolved through alternatives to formal procedures. These alternatives include mediation, facilitation, peer review, and a number of other approaches.

Perhaps the most obvious reason for the increasing use of alternatives to traditional dispute resolution is the savings (for both sides) of the time, money, and energy it takes to see the formal dispute resolution process through to a conclusion. According to one agency that has reported results of its alternative dispute resolution program on OPM's ADR website (<http://www.opm.gov/er/adrguide/adrho.html-ssi>), EEO and grievance processing time under the ADR program has been reduced from an average of 381 to 52 days. Similarly, the cost avoidance and cost savings that result from using ADR can be considerable. Discrimination complaints, which are among the most common type of workplace disputes, can cost from tens to hundreds of thousand of dollars to process from pre-complaint counseling through litigation. The difference in cost when ADR is used can be startling. One agency reporting to OPM estimated its cost per case using ADR was only \$1,000-\$1,500.

But saving resources isn't the only reason for ADR's popularity. ADR contributes to workplace harmony in a number of other ways. For example:

- ADR helps employees and managers fashion their own solutions to conflicts without having solutions imposed by judicial bodies. The parties then feel ownership for the solution.
- Some types of ADR facilitate the kind of compromise that results in win-win solutions. Neither side in a dispute needs to lose completely, as often occurs when disputes are handled formally.
- ADR can help get at problems that underlie the conflict. Often there are aspects of the workplace or working relationships that are the real reason for the conflict, but not the subject of the immediate dispute. If the situation is resolved by a formal administrative

or judicial decision, the real source of the conflict might not be identified and addressed.

- ADR can make managers who need to take conduct or performance-based actions more willing to do so because alternatives are available that won't result in long, drawn-out legal or administrative battles.

Of course, ADR isn't appropriate in all cases. Egregious misconduct or discrimination, for example, does not always involve issues that management and employees could or should negotiate on. But in general, ADR is a valuable tool that more often than not can help the parties to a dispute avoid the formal procedures that can sap a whole work unit's time and energy.

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## Study of Automated Staffing Underway

Automation in staffing is not new. Limited uses of automation—such as using databases to track applications and vacancy status, and allowing candidates to submit applications using a touch-tone telephone—have been around for years. But now, the capability of automated staffing tools is increasing rapidly, driven by demands for greater efficiency in administrative functions, e-government initiatives, and increasing access to the Internet. Terminology reflects this evolving capability, as “applicant tracking systems” that simply managed the flow of applications are replaced by “hiring management systems”—systems intended to help managers recruit, evaluate, and select the best candidates. More and more federal agencies are acquiring hiring management systems, and an increasing number of vendors are competing for their business.

Therefore, MSPB has started a study of how agencies are using automation in the hiring process.

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Some of the questions the study will explore are:

- What do agencies expect from automation—faster hiring, lower hiring costs, better selections?
- How does automation affect recruitment, publicizing vacancies, receiving applications, and assessing candidates?
- Do federal hiring policies and practices support effective use of automation?
- What are the potential benefits and pitfalls of automation?
- What should agencies do to make the best possible use of automation?
- How does automation affect stakeholders, including managers, employees, applicants, and human resources professionals?

Field work for the study has begun, and we expect to issue a report early in 2003.

## Nonprofit Takes Aim at Internal Hiring

In a report on mid-career hiring, the Partnership for Public Service criticized federal hiring practices that prevent non-federal candidates from applying for GS 12 through 15 level federal jobs. A lack of easily accessible information on mid-career jobs, federal rules that require benefits (such as amount of vacation time) to be linked to length of service, restrictive ethics regulations that require lengthy financial disclosures, and a non-market-sensitive salary structure are all barriers to hiring good people from outside the government into higher-grade positions, according to the report.

The Partnership, a recently-created nonprofit group aimed at revitalizing the public service, also

cited the government's ponderous application process and the federal penchant for overemphasizing the need for knowledge specific to certain agencies as factors in keeping non-federal candidates away from federal job competitions.

The Partnership warns that federal managers' reluctance to hire professionals who lack federal experience keeps the government from developing the stronger, more diverse mid-career applicant pool that is likely to be necessary when retirements begin to deplete the current internal pool of employees at the grades 12 through 15 levels.

What is needed, the Partnership suggests, is an aggressive program to attract more outside applicants for these jobs. Such a campaign would require doing away with barriers currently built into application processes and qualifications requirements, changing public attitudes towards government service, and establishing special programs to facilitate the entry of mid-career individuals into the civil service. One such program proposed by the Partnership is a Presidential Management Fellows Program, patterned after the prestigious Presidential Management Intern Program, which has enjoyed considerable success in bringing talented leaders into the federal government at earlier points in their careers.

To read the full report, go to [www.ourpublicservice.org](http://www.ourpublicservice.org).

**Did you ever wonder if it's true when they tell you that your answers to a survey will be kept strictly confidential**



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## Tools of the Trade



### Job Analysis:

### How To and What's New?

As promised in our January *Issues of Merit*, this month we are continuing our Tools of the Trade feature with part 2 of our

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look at job analysis. Last time, we discussed what a job analysis is and why you'd want to do one. In this issue we outline how a job analysis is conducted and provide a glimpse of few new developments in the field.

### How do you do a job analysis?

Specific methods of job analysis vary, but all involve the following elements.\*

1. Identify and describe major job tasks.
2. Identify and define specialized terminology used in the job.
3. Identify resources (equipment, tools, technology, information) used on the job, and describe how they are used.
4. Describe significant features of the work and organizational setting, including
  - Physical environment,
  - Rules, policies, requirements,
  - Work relationships.
5. Identify job holder requirements, including
  - Competencies and knowledge, skills, and abilities
  - Specific educational and experience requirements; and
  - Licenses, bonds, or other certifications.
6. Link tasks to job holder requirements.

The key to job analysis is collecting job information. Sources of job information for job analysis can include position descriptions, classification standards, mission and function statements, organization charts, performance plans, and occupational studies such as OPM's MOSAIC (multipurpose occupational systems analysis inventory—closed ended) initiative. You needn't limit your sources to paper—direct observation of work, and interviews with managers and employees can provide a depth and quality of information that paper sources lack.

Fortunately, it's rarely necessary to do a job analysis from scratch. Often, the job analyst can draw on

previous job analyses, occupational studies, and external resources.

One such resource is OPM's Delegated Examining Unit Handbook which provides a sample job analysis method and a wealth of task and competency information from OPM-conducted occupational studies. Another resource is the classification process, which often precedes the hiring process. Classification explores knowledge requirements, resources used, and the relationship between the job at issue, the organization's functions, and the work of other employees. Consequently, the tools and outputs of the classification process—such as occupational definitions, classification standards, and evaluation statements—can be very useful in job analysis.

Job analysis can vary in level of detail, depending on why you're doing it. For example, if you're conducting a job analysis to help develop a technical training program, you'll probably collect detailed information on tasks and knowledge requirements. A job analysis that you use to identify selection criteria for an occupation will focus on commonalities among jobs, rather than finely detailed descriptions of specific tasks.

### What's new in job analysis?

The basic principles and methods of job analysis have been in place for many years and remain valid today. However, some concerns have been raised about traditional job-holder and task-centered job analysis. These concerns include (1) the possibility that the traditional focus on past and current tasks and requirements could result in a job analysis that fails to capture emerging or future requirements, and (2) the possibility that focusing on satisfactory rather than outstanding performance might lead to selection methods that produce an acceptable—but not high-performing—workforce.

There are two responses to these concerns. The first is careful

### Next Best Thing to Being There

(Well, maybe the next best thing to watching at home on CNN.) You can view senate hearings and access witnesses' prepared statements via the Internet at: [http://www.senate.gov/%7Egov\\_affairs/hearings.htm](http://www.senate.gov/%7Egov_affairs/hearings.htm)

selection and weighing of information sources. For example, to ensure that a job analysis reflects anticipated changes in the job and work environment, use forward-looking sources of information such as strategic plans and high-level experts. Similarly, to ensure that a job analysis reflects tasks and competencies associated with excellent performance, draw on actual instances of high performance ("critical incidents") and collect information from employees identified as high performers.

The second response to concerns about traditional job analysis is to broaden the outputs of your job analysis. You could, for example, identify the competencies needed to perform a job. According to OPM's Delegated Examining Unit Handbook a competency is "an observable, measurable pattern of skills, knowledge, abilities, behaviors, and other characteristics . . . [needed] to perform work roles or occupational functions." This approach can result in the creation of competency inventories that include items (such as creative thinking and self-management) that might not appear in traditional KSA inventories, and that may have a longer shelf life than the more narrowly-defined KSAs, because they are applicable to a wider range of roles and work situations.

\*These steps are adapted from Robert M. Guion's *Assessment, Measurement, and Prediction for Personnel Decisions*, Lawrence Erlbaum Associates, Mahwah, NJ, 1998, pp. 62-63.






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# Issues of Merit

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## Selected Publications from the Office of Policy and Evaluation\*

-  Assessing Federal Job Seekers in a Delegated Examining Environment
-  The Federal Merit Promotion Program: Process vs. Outcome
-  The U.S. Office of Personnel Management in Retrospect: Achievements and Challenges After Two Decades
- ☐ Growing Leaders: The Presidential Management Intern Program
- ☐ Competing for Federal Jobs: Job Search Experiences of New Hires
- ☐ Restoring Merit to Federal Hiring: Why Two Special Hiring Programs Should Be Ended
- ☐ The Role of Delegated Examining Units: Hiring New Employees in a Decentralized Civil Service
- ☐ Federal Supervisors and Poor Performers
- ☐ Civil Service Evaluation: the Evolving Role of the U.S. Office of Personnel Management
- ☐ Federal Supervisors and Strategic Human Resources Management
- ☐ The Changing Federal Workplace: Employee Perspectives
- ☐ Adherence to the Merit Principles in the Workplace: Federal Employees' Views
- ☐ Achieving a Representative Workforce: Addressing the Barriers to Hispanic Participation
- ☐ Fair and Equitable Treatment: A Progress Report on Minority Employment in the Federal Government
- ☐ The Rule of Three in Federal Hiring: Boon or Bane?
- ☐ Sexual Harassment in the Federal Workplace: Trends, Progress, Continuing Challenges
- ☐ Leadership for Change: Human Resource Development in the Federal Government
- ☐ Whistleblowing in the Federal Government: An Update
- ☐ A Question of Equity: Women and the Glass Ceiling in the Federal Government

## Selected Current Projects

- ☐ The use of interviews in selection
- ☐ Governmentwide Merit Principles Survey 2000
- ☐ Competence in overseeing federal contracts
- ☐ Federal government recruiting
- ☐ Automated candidate assessment

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\* Most of these reports can be downloaded from the **STUDIES** page of the MSPB website: [mspb.gov](http://mspb.gov)

"Issues of Merit" provides findings and recommendations drawn from MSPB research on topics and issues relevant to the effective operation of the federal merit systems and the significant actions of the Office of Personnel Management.